

6. CONTRACT TERMS

**Wisconsin Works (W-2) and Related Programs Contract
for the period January 1, 2002 through December 31, 2003**

between

the Wisconsin Department of Workforce Development

and

[Agency]

THE CONTRACT is entered into by and between the Wisconsin Department of Workforce Development ("Department") and [Agency] ("W-2 Agency") (collectively, "the Parties").

WHEREAS, the Department is authorized by section 49.143 of the Wisconsin Statutes, as amended, to contract with service providers to administer Wisconsin Works ("W-2") under sections 49.141 to 49.161 of the Wisconsin Statutes (1999-2000) as amended; and

WHEREAS, the purpose of W-2 is to enable parents to fulfill their responsibility to nurture and support their families by providing community-based employment and supportive services and an opportunity to achieve, at the earliest possible time, economic independence and self-sufficiency through work; and

WHEREAS, the Parties wish to contract for the administration of W-2 and Related Programs by the W-2 agency in [Geographic Area];

NOW THEREFORE the Department and the W-2 agency agree as set forth in the Contract, the Contract attachments, and documents incorporated by reference into the Contract.

6.1 Contract Period

The Contract Period will be January 1, 2002 through December 31, 2003. The Department may re-contract for the 2004-2005 Contract Period with a W-2 agency that meets the Department's requirements.

6.2 Contract Manager

6.2.1 Designated Contract Manager

The Department and the W-2 agency each shall have a designated Contract Manager.

6.2.2 Contract Manager Name

The Department's Contract Manager is [name and address to be supplied in the Contract]. The W-2 agency's Contract Manager is [name and address to be supplied by the W-2 agency on the W-2 Agency Identification Form, see Attachment A to the Response Items].

6.2.3 Department's Contract Manager

The Department's Contract Manager manages the W-2 contracts on a daily basis. The Department's Contract Manager will periodically monitor the W-2 agency's performance under the Contract. The W-2 agency shall promptly undertake such improvements and corrections as may be reasonably necessary to correct any problems and/or deficiencies identified in the Department's Contract Manager's periodic monitoring.

6.2.4 Change in W-2 Agency's Contract Manager

The W-2 agency must notify the Department's Contract Manager in writing no later than ten (10) business days of any changes of information in any of the forms incorporated by reference into the Contract. (See section 6.56.1 of the Contract.) The notification must be in writing on the W-2 agency's official letterhead and signed by the W-2 agency's director or designee.

6.3 W-2 Administrator

The Division of Workforce Solutions ("DWS") Administrator is the W-2 Administrator and shall exercise all of the State's rights under the Contract. Any disputes between a W-2 agency and the Department under the Contract shall be resolved by the Disputes process. (See section 6.55 of the Contract.)

6.4 Notices

6.4.1 Notice Relating to Termination, Breach, Noncompliance, or Failure Penalty

Any notice or demand relating to termination, breach, noncompliance, or failure penalty shall be in writing and either delivered personally, by fax followed by certified mail, or by certified mail, return receipt requested, addressed to:

The Department's Contract Manager

[name and address to be supplied in the Contract]

The W-2 Agency's Director

[name and address supplied in the Contract from W-2 Agency Identification Form, Attachment A to the Response Items]

6.4.2 Notice for Any Other Purpose

Notice for any other purpose may be sent by fax followed by regular mail, regular mail, or other delivery service. Either Party may change its address by notifying the other Party in writing of the change. Any notice or demand delivered by mail shall be deemed delivered two (2) business days after it has been mailed as provided above.

6.5 Captions

The captions in the Contract and associated documents are intended for reference only and in no way define, limit or describe the scope or intent of any provisions contained therein.

6.6 Performance Standards

The W-2 agency must comply with the Performance Standards established by the Department for the delivery of services under the Contract. The Performance Standards criteria are grouped as required criteria, optional criteria or criteria for information only. This section lists the Performance Standards and specifies whether each standard is required, optional or for information only. The specific Performance Standard criteria are listed in the Department's document titled Performance Standards for the 2002-2003 W-2 and Related Programs Contract, which is incorporated by reference into the Contract.

6.6.1 Performance Standards Required and Optional Criteria are:

Meet Priority Outcomes for Participants

- Entered Employment Placement Rate (required);
- Job Retention Rates (required);
- Full and Appropriate Engagement (required);
- Basic Education Activities (required);
- Educational Activities Attainment (required);

- Earnings Gain (required);
- Faith-Based Contracts (optional); and
- Supplemental Security Income (“SSI”) Advocacy (optional).

Deliver High Quality and Effective Case Management Services

- Financial and Employment Planner (“FEP”) to caseload ratio (required);
- W-2 agency staff meet training requirements (required);
- Assessment for Appropriate W-2 Placement and Extension (required); and
- Timely and complete processing of twenty-four (24) and sixty (60) months extension requests (required).

Deliver Services that Meet Customer Expectations

- W-2 agency services meet or exceed expectations for consumer satisfaction (required).

Agency Accountability

- Financial Management; and
- Contract Compliance.

6.6.2 The Performance Standards Criteria For Information Only are:

- Available Employer Health Insurance Benefits;
- Addressing Barriers;
- Expanded Caseload;
- In-work Supports;
- Moving out of Poverty Indicator;
- Recidivism Rates; and
- Eighteen (18) and nineteen (19) year olds in school.

6.6.3 Performance Standards Credits and Adjustments

The Department will apply the following credits and adjustments to the Performance Standards calculations:

- One case credit;
- Zero case credit;
- Worker error adjustment; and
- Risk protection adjustment.

6.7 Policies for W-2 and Related Programs

6.7.1 Compliance

The W-2 agency is responsible for W-2 and Related Program activities in accordance with the Department’s policies. The W-2 agency must comply with the Department’s Policies and Procedures. The Affidavit Form (see Attachment C to the Response Items) includes a statement that the W-2 agency must comply with all terms, conditions, and response items required by the State in the Contract, documents incorporated by reference, and the W-2 agency’s Plan.

6.7.2 Biennial Budget Bill

W-2 agencies will be required to submit a detailed W-2 agency Plan Modification (subject to the review and approval of the Department's Contract Manager) within thirty (30) calendar days after the Department's issuance of notification of changes in the 2002-2003 Biennial Budget. The Plan Modification must include appropriate implementation and/or coordination strategies which the W-2 agency will enact to successfully implement any new Biennial Budget mandates.

6.8 Policy Change

6.8.1 Department's Policies and Procedures

From time to time, the Department may modify the Department's Policies and Procedures and the Department's document titled Listing of the Department's Policies and Procedures, which is incorporated by reference into the Contract. The documents included in the Listing of the Department's Policies and Procedures shall be available in a repository at each Regional Office, and shall be accessible to any W-2 agency.

6.8.2 New Policy Mandate

The Department will not issue a new policy mandate unless it is required to do so by State or federal law, rules or regulations or a court order or a settlement agreement.

6.8.3 Proposed Modification to the Department's Policies and Procedures

If the Department proposes a modification to the Department's Policies and Procedures that is not required by State or federal law, rules or regulations or court order or settlement agreement, the W-2 agency, using the W-2 Contract and Implementation Committee, will have thirty (30) calendar days to comment on the fiscal impact to the W-2 agency of such a change. The Department shall consider and respond to such comments prior to the implementation of the proposed modification to the Department's Policies and Procedures.

6.9 Funding Change

The W-2 agency agrees that the obligations of the Department under the Contract are limited by, and contingent upon, legislative authorization and budget appropriations. If, during the Contract Period, the appropriations that fund performance under the Contract are not made or are repealed or reduced by actions of Congress or the State Legislature, then the Department shall notify the W-2 agency which services shall be performed by the W-2 agency. If the W-2 agency makes a determination that additional changes in required services are necessary because of the lack of funds, the W-2 agency may, within thirty (30) calendar days, present a proposed plan to the Department for modifications in required services. The Department will respond within thirty (30) calendar days to such a proposed plan in making its final decision on the services to be performed.

6.10 W-2 Agency's Plan to Administer W-2 and Related Programs

6.10.1 W-2 Plan Documents

The W-2 Agency's Plan to Administer W-2 and Related Programs shall consist of the W-2 Agency's Plan submitted to the Department in 2001 as approved by the Department and as modified in accordance with section 6.10.4 of the Contract.

6.10.2 Property of the Department

The W-2 agency's Plan and any Plan Modifications submitted to the Department become the property of the Department upon receipt. All rights, title and interest in all W-2 Plan materials and ideas prepared by the W-2 agency shall become the exclusive property of the Department and may be used by the Department at its option.

6.10.3 Plan Administration

The W-2 agency must administer W-2 and Related Programs in accordance with the Plan. W-2 and Related Programs include: W-2 employment positions; W-2 case management, Food Stamp Employment and Training; Child Care; Workforce Attachment and

Advancement; Refugee Cash Assistance and Refugee Medicaid; Job Access Loans; Employment Skills Advancement Program; Learnfare; and Children First (optional, Children First may be administered by the W-2 agency or the Child Support agency).

6.10.4 Plan Modification

6.10.4.1 W-2 Agency Initiated

6.10.4.1.1 Proposed Substantive Plan Modification

If the W-2 agency determines that a substantive change is needed to the Plan, the W-2 agency shall submit the proposed change in writing to the Department's Contract Manager for written approval. A substantive change includes, but is not limited to, a change in: services or a service provider; service hours or the location where services are provided; management oversight or contract administration; or access to and delivery of services. The Department's Contract Manager shall within ten (10) business days of notification by the W-2 agency submit a written response which will state the Department's approval or disapproval of the proposed Plan Modification.

6.10.4.1.2 Updates to the Plan

In the absence of any substantive change that would require a Plan Modification, the W-2 agency must submit any updates to the Plan (or a statement that there are no updates to the Plan) to the Department's Contract Manager at least twice annually.

6.10.4.2 Department Initiated

If the Department determines that a substantive change is needed to the Plan, the Department shall notify the W-2 agency. The W-2 agency shall, within ten (10) business days of notification by the Department, submit a written proposed Plan Modification to the Department's Contract Manager. The Department's Contract Manager shall notify the W-2 agency of the Department's approval or disapproval of the proposed Plan Modification within ten (10) business days.

6.11 Contract Interpretation

The Department is solely responsible for rendering decisions in matters of interpretation on all terms and conditions. Any ambiguity among the Contract or documents attached by reference to the Contract and the W-2 agency's Plan shall be resolved by applying the following order of precedence:

- a) The Contract document, including any amendments and any documents from the Department incorporated by reference (for example, the Department's Policies and Procedures);
- b) The Department's documents on the contracting process (for W-2 agencies which met the Right of First Selection requirements, these are the Administrator's Memos included in the Right of First Selection Re-contracting process including any addenda, and for the competitive geographic areas, these are the Department's Request for Proposals (RFP) including any addenda);
- c) The W-2 agency's Plan or approved Proposal to Administer W-2 and Related Programs.

6.12 W-2 Agency Structure

6.12.1 Single Organization Unit

Each W-2 agency must have a structure which permits the Department to hold it accountable as an entity, as opposed to a structure in which the W-2 agency is made up of

co-equal partners, each of whom can be held accountable only for their specific contracted responsibilities. The W-2 agency must consist of a single organizational unit or a consortium.

6.12.2 W-2 Agency Director

Each W-2 agency must be headed by a W-2 director who administers through an appropriate chain of command. The director must retain powers to provide, purchase or subcontract for services necessary to meet its contractual obligations as a W-2 agency, without such decisions requiring prior authorization from partner agencies. Nothing in this section is intended to remove authority from a County Board, Board of Directors or a Tribal Governing body. The W-2 director must have management control over the W-2 agency workforce, which may be exercised either through direct hiring or through subcontracts. The W-2 agency director must be competent to manage a diverse workforce.

6.13 Subcontracts

6.13.1 Requirements

The W-2 agency may subcontract for some or all of the services covered in the Contract including payments to an agency that is part of a consortium arrangement. In order for a W-2 agency to issue payment to another agency for any service under the Contract, a subcontract approved by the Department's Contract Manager is required. Upon signing a subcontract, the W-2 agency must submit a copy to the Department's Contract Manager within fifteen (15) business days. The W-2 agency must provide a list of all current subcontracts to the Department's Contract Manager within ten (10) business days after each calendar quarter of the Contract Period. The list must include the funding amounts for each subcontract, the time period for each subcontract, and indication of whether or not each subcontract is with a qualified State certified Minority Business Enterprise.

6.13.2 Compliance

The W-2 agency must comply with all subcontract requirements under the applicable State and federal laws and the Contract, including any applicable requirements in the Department's Policies and Procedures.

6.13.3 Subcontracting by Subcontractors

For purposes of the Contract, subcontracting by subcontractors is permitted. All subcontractors, whether first-, second-, third-tier, or more must abide by the terms of the Contract.

6.13.4 Responsibility

The W-2 Agency is responsible for contract performance when subcontractors are used. The W-2 agency must obtain certifications from subcontractors stating that neither the subcontractors nor potential sub-recipients, contractors, or any of their principals are debarred, suspended or proposed for debarment. (See Attachment E to the Response Items, Certification Regarding Debarment Form.) The W-2 agency must obtain lobbying compliance certifications from subcontractors. (See Attachment F to the Response Items, Lobbying Forms.)

6.13.5 Faith-based

The W-2 agency may subcontract with, or award grants to charitable, private or faith-based organizations to provide case management services or assistance to W-2 and Related Programs participants or applicants on the same basis as any other private organization.

6.13.6 Non-discrimination Against an Organization

The W-2 agency shall not discriminate against an organization that is or applies to be a subcontractor on the basis that the organization has a religious character. The W-2 agency shall not require the faith-based organization to alter its definition, development, practice or expression of its religious beliefs, nor shall it require the organization to alter its internal governance or remove religious art or any other expression of its religious belief in order to enter into a subcontract with or be awarded a grant from the W-2 agency.

6.13.7 Non-discrimination Against an Applicant or Participant

The W-2 agency shall not discriminate against any W-2 or Related Programs applicant or participant on the basis of religious or lack of religious belief. Therefore, if the W-2 agency subcontracts with a faith-based organization to provide case management services or assistance to W-2 and Related Programs participants, it must make available within a reasonable time an alternative provider of the same services, worth the same value, to any participant who objects to the religious character of the organization or institution from which the participant would receive or is receiving case management services or assistance.

6.13.8 Fiscal and Accounting Standards

The W-2 agency shall require any faith-based organization that it subcontracts with or awards a grant to, to meet the same fiscal and accounting standards, and generally accepted accounting principles as any other private provider.

6.13.9 Minority Business Enterprises

W-2 agencies are encouraged to subcontract with qualified State certified Minority Business Enterprises ("MBEs"). (See section 6.24 of the Contract.)

6.14 Records

6.14.1 Maintenance

The W-2 agency shall comply with the records, reporting and monitoring requirements of the Department's Policies and Procedures. The W-2 agency shall maintain such records, reports, evaluations, financial statements and necessary evidence of accounting procedures and practices to document the funding received and disbursements made under the Contract. The W-2 agency shall provide information in a form and manner prescribed by the Department, including but not limited to, using the CARES system and other systems designated by the Department.

6.14.2 Availability

Upon request, the W-2 agency shall make records available to the Department for inspection including records and information which may not be maintained in CARES. The W-2 agency further agrees to transfer to the Department any original or copy of records that the Department requests during or after the Contract Period as soon as practicable and no later than within ten (10) business days. The W-2 agency shall use the schedules for record retention in accordance with the Department's Policies and Procedures and State and federal law.

6.14.3 Retention

In the case of documents that are not covered by the schedules for record retention in accordance with the Department's Policies and Procedures and State and federal law, the W-2 agency will retain all documents applicable to the Contract for a period of not less than three (3) years after the final payment is made.

6.14.4 Confidentiality

Except as provided by Wisconsin Statutes, the W-2 agency shall keep participant records confidential and shall properly dispose of them in accordance with State and federal rules and policies.

6.15 On-Site Visits

The Department may conduct on-site visits at any time and without prior notice to the W-2 agency, using either its own employees or agents, to conduct inspections or audits or for any other purposes as the Department deems necessary to determine the W-2 agency's compliance with the Contract. The cost to the Department of an on-site visit will be paid by the Department unless the Department determines that an on-site visit is required by the failure of the W-2 agency to satisfactorily perform its responsibilities under the Contract.

6.16 Compliance Contacts, Monitoring and Corrective Action

6.16.1 Compliance Contacts

Both the Department and the W-2 agency shall maintain records of all Compliance Contacts. The records shall identify the date of the contact, the issue presented by the contact, and how the issue was resolved including required follow up actions and timeframes.

6.16.2 Monitoring Reviews

The Department will conduct monitoring reviews of the W-2 agency. Each monitoring review will include a review of the Compliance Contact logs of the Department and the W-2 agency. (See the Department's Policies and Procedures on the Department's W-2 Monitoring Review.) Based on the results of each monitoring review, the Department will notify the W-2 agency of items which require Corrective Action and the time allowed, which shall be no less than ten (10) business days, and no more than thirty (30) calendar days, or longer if pre-approved by the Department, to implement the Corrective Action. If the W-2 agency fails to fully implement substantial required Corrective Action(s), the Department may revoke the W-2 agency's Right of First Selection status. (See the Department's document titled Performance Standards for the 2002-2003 W-2 and Related Programs Contract, which is incorporated by reference into the Contract.)

6.16.3 Corrective Action Outside of Monitoring Reviews

6.16.3.1 Opportunity for Corrective Action Plan

Except under the Penalty Amounts and Substantial Noncompliance sections of the Contract, the W-2 agency at its discretion may submit a Corrective Action Plan to address noncompliance with the provisions of the Contract.

6.16.3.2 Requirement

Within six (6) business days of receipt by the W-2 agency of notice of failure to perform any provision of the Contract, the W-2 agency shall submit to the Department's Contract Manager for approval a Corrective Action Plan to remedy such failure.

6.16.3.3 Failure

A failure by the W-2 agency to submit an approvable Corrective Action Plan or a failure by the W-2 agency to fully implement the approved Corrective Action Plan within ten (10) business days of approval of the Corrective Action Plan by the Department shall constitute Uncorrected Nonperformance under the Contract and may be cause for termination of the Contract.

6.16.4 Payment Adjustments for Failure to take Corrective Action

After giving the W-2 agency notice and an opportunity to take corrective action, the Department may reduce, withhold or recover payments to the W-2 agency if the W-2 agency fails to satisfactorily perform its responsibilities under the Contract.

6.17 Failure Penalty

6.17.1 Investigation

The Department shall investigate an alleged instance of failure to implement programs or operations requirements for the W-2 and Related Programs based on information received from a complaint from any source, including, but not limited to, a W-2 applicant or participant, a management report analysis, a case review, on-site monitoring, or desk monitoring.

6.17.2 Procedure

The Department's Contract Manager shall describe in writing the alleged instance of failure to implement programs or operations requirements for the W-2 and Related Programs and shall provide a copy to the W-2 agency. The Department shall investigate the alleged instance of failure and shall issue a written finding of fault or no fault. The W-2 agency must cooperate with the Department's investigation. At the Department's discretion, a finding of fault may include a warning and a Corrective Action Plan requirement and timeline to resolve the finding. The Department at its discretion may waive part or all of the damage amount set forth in the Penalty Amounts section of the Contract. The W-2 agency may use the dispute procedure under the Contract to obtain review of a written finding under this section, but any such dispute must be received by the Department Chief Legal Counsel within ten (10) business days of the W-2 agency's receipt of the written finding.

6.17.3 Penalty Amounts

If the W-2 agency knowingly denies or refuses services; engages in a pattern of repeated failure to provide necessary accommodations required for persons with disabilities to access services; fails to correct a pattern of non-response to telephone contacts; fails to timely respond to written contact from a W-2 applicant or W-2 participant; does not provide publicly advertised W-2 services in terms of location, hours, or staff availability; or fails to implement the W-2 and Related Programs or operations requirements, and the W-2 agency knew or should have known that this was not in compliance with a Contract requirement, the Parties hereby agree that damages will be difficult to calculate. Accordingly, upon a finding of failure, liquidated damages may be assessed in the amount of Five Thousand Dollars (\$5,000) per failure, or an amount determined by the Department that will not exceed Five Thousand Dollars (\$5,000) per failure. These damages shall be collected under section 6.25.9 of the Contract, Payment Adjustments.

6.18 Inability to Perform

The W-2 agency shall immediately notify the Department whenever the W-2 agency is unable to provide the required services specified under the Contract. Upon such notification, the Department shall determine whether such inability will require an amendment to or termination of the Contract.

6.19 Termination of Contract

6.19.1 Without Cause

Upon one hundred twenty (120) calendar days written notice, either Party may terminate the Contract without cause.

6.19.2 Uncorrected Nonperformance

Termination for Uncorrected Nonperformance under section 6.16.3.3 of the Contract shall be effective within ten (10) business days after the Department has mailed notice of termination.

6.19.3 Substantial Noncompliance

The Department may terminate the Contract immediately if the Department determines that the W-2 agency is in substantial noncompliance with the terms and conditions of the Contract which creates an emergency that requires the Department to implement an emergency contract with another entity. Substantial noncompliance exists, for example, when the W-2 agency is not providing intake services at the W-2 agency's locations in the community, and the W-2 agency is unable to state when it will be able to provide services again. Termination of the Contract for substantial noncompliance shall be effective two (2) business days after the Department has mailed notice of termination.

6.19.4 Cancellation

The State reserves the right to cancel any Contract in whole or in part without penalty due to nonappropriation of funds by Congress or the State Legislature.

6.19.5 Reimbursement

6.19.5.1 Requirement

If the Department terminates the Contract, the Department shall reimburse the W-2 agency for Allowable Costs of services performed under the Contract. The Department may also reimburse the W-2 agency for close-out costs. If the W-2 agency terminates the Contract without cause, the Department will exercise due diligence in selecting and contracting with a replacement W-2 agency, which may result in a reduction by the Department of the notice period under Without Cause, section 6.19.1 of the Contract.

6.19.5.2 Discretion of the Department

In addition to the costs allocated in the Department's document titled Allocation Information for the 2002-2003 W-2 and Related Programs Contract, W-2 Base Allocation chart (which is incorporated by reference into the Contract), and at its sole discretion, the Department may reimburse the W-2 agency for costs incurred during the notice period.

6.19.6 Performance Surviving Termination

The obligations of the Parties under the following sections of the Contract shall survive the termination of the Contract:

Contract section 6.14 Records;

Contract section 6.17 Failure Penalty;

Contract section 6.20 Cooperation;

Contract section 6.25 Payment;

Contract section 6.26 Audit and Audit Liabilities;

Contract section 6.27 Performance Bonuses;

Contract section 6.36 Indemnification;

Contract section 6.38 W-2 Agency Tax Delinquency;

Contract section 6.39 Copyright and Publication Rights;

Contract section 6.48 Severability;
Contract section 6.50 Time Is of the Essence;
Contract section 6.51 Waiver; and
Contract section 6.55 Disputes.

6.19.7 Termination Due To 2002-2003 Biennial Budget Act

On or after the date of the publication of the 2002-2003 Biennial Budget Act, the Department shall provide written notification to the W-2 agency of the publication of the Biennial Budget Act. Within sixty (60) calendar days after the date of this notification, the W-2 agency may notify the Department of its decision to terminate the Contract without cause under section 6.19.1 of the Contract.

6.19.7.1 Reimbursement

If the W-2 agency terminates the Contract within the sixty (60) calendar days period provided under this section, the Department shall reimburse the W-2 agency for all allowable costs incurred during the notice period under this section and all allowable costs incurred during the one hundred and twenty (120) calendar days notice period under section 6.19.1 of the Contract, including allowable closeout costs. For purposes of this provision, allowable costs shall be determined by the Department's financial Policies and Procedures and Wisconsin Statutes.

6.19.7.2 Replacement W-2 Agency

The Department will exercise due diligence in selecting and contracting with a replacement W-2 agency, which may result in a reduction by the Department of the one hundred and twenty (120) calendar days notice period under section 6.19.1 of the Contract.

6.20 Cooperation

The W-2 agency must cooperate with any successor agency.

6.21 Funding Available

6.21.1 Requirements

The W-2 agency is responsible for serving the eligible population in the applicable geographic area with a specified funding amount identified. (See the Department's document titled Allocations Information for the 2002-2003 W-2 and Related Programs Contract, which is incorporated by reference into the Contract.) The Contract is a reimbursement contract, meaning that a W-2 agency will be reimbursed for allowable expenses up to the Contract Total. The W-2 agency is not entitled to the Contract Total if the W-2 agency does not have allowable expenses that equal or exceed that amount.

6.21.2 Tribal Temporary Assistance for Needy Families Program

In the event that an American Indian Tribe exercises its option to create a tribal Temporary Assistance for Needy Families ("TANF") program, the Department reserves the right to adjust one or more W-2 agencies' Base Allocation if a W-2 agency's geographic area overlaps with the American Indian tribal TANF service area.

6.22 Management Manual

Each W-2 agency must submit a Cost Allocation Plan, which complies with the Department's Policies and Procedures, to the Department's Contract Manager within thirty (30) calendar days of signing the Contract and must submit any changes to the Department's Contract Manager necessary to keep the Cost Allocation Plan current and accurate within thirty (30) calendar days of the change.

6.23 W-2 Agency Procurement Activities

6.23.1 Requirements

The W-2 agency agrees to conduct its procurement transactions for purchases under the Contract by adhering to all applicable federal, State, and local requirements.

6.23.2 Equipment

The W-2 agency agrees to comply with the Department's Policies and Procedures regarding equipment procured under the Contract including inventories, minimum operating standards, installation, ownership, depreciation, moves, repair and maintenance.

6.24 Minority Business Enterprises

6.24.1 State Goal

The State of Wisconsin has a goal of placing five percent (5%) of its total purchasing dollars with certified minority businesses. (See sections 15.107(2), 16.74(4), 16.755 and 560.03(2) of the Wisconsin Statutes.) The W-2 agency is encouraged to purchase services and supplies from minority business enterprises (MBEs) certified by the Wisconsin Department of Commerce, Bureau of Minority Business Development.

6.24.2 Identification of MBE Subcontractors

The W-2 agency shall meet with the Department to identify MBE subcontractors for the provision of services for the Contract. The W-2 agency shall identify the supplies and services purchased from Certified MBE subcontractors in the quarterly report of subcontractors filed under section 6.13.1 of the Contract. In the same quarterly report, the W-2 agency also shall identify supplies and services that it has purchased directly from Certified MBE businesses.

6.24.3 Certified Minority Businesses

A list of certified minority businesses, and the services and commodities they provide is available from the Department of Administration, Office of Minority Business Programs, 608-267-7806. The list is published on the Internet at: <http://www.doa.state.wi.us/dsas/mbe.htm>.

6.25 Payment

6.25.1 Advance Payments

For each of the first three (3) months of the Contract Period, and in accordance with the Department's Policies and Procedures, the Department will issue an advance payment equal to one twenty-fourth (1/24) of the Services/Administration allocation.

6.25.2 Recovery of Advance Payments

The Department will collect the advance payments in accordance with the Department's Policies and Procedures.

6.25.3 Reimbursement Claim

The W-2 agency's reimbursement claim for January 2002 must be filed on or before the last day of February 2002, will be processed in March 2002, and the Department will issue payment in April 2002. Thereafter, the W-2 agency's reimbursement claim must be filed on or before the last day of the month following the month for which reimbursement is claimed. The reimbursement claim will be processed in the month following submission and paid by the fifth day of the month following processing, subject to reduction, recovery and reimbursement as provided in the Contract.

6.25.4 Benefits Paid

Benefits paid will be the amounts paid for W-2 Transitions, Community Service Jobs, Trial Jobs and Custodial Parent of an Infant. These benefit amounts will be obtained from

CARES and charged against the W-2 agency's W-2 Contract in the CARS payment system each month.

6.25.5 Participant Sanctions Adjustment

In accordance with Wisconsin Statutes, the total amount withheld from W-2 participants as benefit sanctions imposed by a W-2 agency under the Department's Policies and Procedures will be charged as an expense against the W-2 agency's W-2 Contract. The Department will process this adjustment monthly based on CARES data.

6.25.6 Expense Reporting

The Department will not reimburse expenses incurred within the Contract Period, but reported more than ninety (90) calendar days after the end of the Contract Period unless an extension to the reporting period has been granted by the Department.

6.25.7 Submitted Expenses

6.25.7.1 Allowable Expenses

Expenses submitted under the Contract must be allowable, which includes being reasonable and necessary for the delivery of program services under the Contract. The Department's Policies and Procedures regarding prior approval for certain expenses must be followed for an expense covered by the Department's Policies and Procedures to be allowable.

6.25.7.2 Adjustments to Expense Reports

Adjustments to expense reports for a prior expense report period must be fully documented to show the specific expenses being adjusted, the reason for the adjustment and the amount of the adjustment. At the request of the Department, the W-2 agency must also provide information on what steps the W-2 agency is taking to prevent the reoccurrence of the situation that resulted in the adjustment.

6.25.7.3 Method for Reporting Expenses

The W-2 agency must use an approved, documented method for determining whether, in accordance with the Department's Policies and Procedures, expenses are direct, allocated direct or indirect costs. The W-2 agency must use an approved documented method for determining how expenses shall be reported within the required reporting categories.

6.25.7.4 Cost Allocation Plan

Expenses submitted under the Contract must be consistent with the W-2 agency's approved Cost Allocation Plan.

6.25.8 Administration Costs

Expenses for administration of W-2 and Related Programs, including agency management, support and overhead ("AMSO") and other expenses as identified in the Department's Policies and Procedures may not exceed fifteen percent (15%) of the total reported expenses as identified in CARS unless the W-2 agency's Base Allocation is no greater than \$500,000 and the Department substituted twenty percent (20%) for the fifteen percent (15%) limit.

6.25.9 Payment Adjustments

6.25.9.1 Adjustments with Corrective Action Opportunity

After giving the W-2 agency notice and an opportunity to take Corrective Action as outlined in section 6.16 of the Contract, Compliance Contacts, Monitoring and Corrective Action, if the W-2 agency fails to satisfactorily perform its responsibilities under the Contract, the Department may reduce, withhold, or recover payments from the W-2 agency.

6.25.9.2 Adjustments without Corrective Action Opportunity

If the Department determines that the Department has reimbursed the W-2 agency erroneously, or if the conditions set forth in the Penalty Amount section of the Contract are met, the Department may reduce, withhold, or recover payments from the W-2 agency. The Department may assert a claim for recovery from the W-2 agency at any time the Department is subject to recovery by the federal government.

6.26 Audit and Audit Liabilities

6.26.1 Annual Audit

The W-2 agency agrees to provide an annual audit in compliance with the Department's Policies and Procedures including all relevant provisions of the Department's "Wisconsin Works (W-2) Financial Management Manual," "Provider Agency Audit Guide" and "State Single Audit Guidelines." At the direction of the Department, the W-2 agency must expand the scope of its annual audit to address areas of concern identified by the Department.

6.26.2 State or Federal Auditors

The Department reserves the right to audit the W-2 agency's performance. The W-2 agency agrees to cooperate with the Department and other State auditors designated by the State, and/or federal auditors.

6.26.3 State or Federal Audit Exceptions

The parties to the Contract agree that the W-2 agency shall be held liable for any State or federal audit exceptions in which acts or omissions of the W-2 agency are cited and the W-2 agency shall return to the Department all payments made under the Contract to which exception has been taken and proven or which have been disallowed because of such an exception.

6.26.4 Resolution of Federal Audit Exceptions

Nothing contained in the Contract shall limit the Department's obligation to promptly pursue with the appropriate federal agencies the expeditious clarification, resolution and disposition of federal audit exceptions which the Department and the W-2 agency agree are erroneous or inappropriate.

6.27 Performance Bonuses

(See the Department's document titled Performance Standards for the 2002-2003 W-2 and Related Programs Contract, Performance Bonus Benchmarks.)

6.27.1 Total Performance Bonuses

The total funding amounts for Performance Bonuses for all W-2 agencies will be established by the Biennial Budget Act. The total funding amounts for Restricted Use Performance Bonuses (Community Reinvestment) will be allocated between Performance Standards categories as follows: sixty-five percent (65%) will be allocated to the Meet Priority Outcomes for Participants Performance Standards; and thirty-five percent (35%) will be allocated to the Deliver High Quality and Effective Case Management Services Performance Standards. The total funding amounts for Unrestricted Use Performance Bonuses will be allocated between Performance Standards categories as follows: sixty percent (60%) will be allocated to the Meet Priority Outcomes for Participants Performance Standards; thirty percent (30%) will be allocated to the Deliver High Quality and Effective Case Management Services Performance Standards; and ten percent (10%) will be allocated to the Deliver Services that Meet Customer Expectations Performance Standard.

6.27.2 W-2 Agency Performance Bonuses Amount to be Earned

The funding amount for Performance Bonuses that a W-2 agency has the potential to earn for each of the Performance Standards categories (see section 6.27.1 of the Contract) will be determined by the Department by multiplying the statewide funding amount for Performance Bonuses for each category by the W-2 agency's proportionate share of the total statewide W-2 Base Allocation.

6.27.3 Requirements

A W-2 agency must meet the Contract Compliance Benchmarks for all of the required Performance Standards in order to be eligible to receive Performance Bonuses. (See section 6.6.1 of the Contract.)

6.27.4 Restricted Use Performance Bonus (Community Reinvestment)

The funds earned by the W-2 agency by meeting the Restricted Use Benchmark may be used only for expenditures that meet TANF requirements, and are identified in a Community Reinvestment Plan submitted by the W-2 agency and approved by the Department.

6.27.5 Unrestricted Use Performance Bonus

The funds earned by the W-2 agency by meeting the Unrestricted Use Benchmark may be used without restriction.

6.27.6 Allocation of Performance Bonuses to Restricted Use and Unrestricted Use

Within each of the Performance Standards categories (see section 6.27.1 of the Contract) and within each W-2 agency allocation (see section 6.27.2 of the Contract), the Performance Bonuses will be divided by the Department equally between the Restricted Use and the Unrestricted Use, unless otherwise specified by law.

6.27.7 Measurement

6.27.7.1 Twenty-four (24) Months Data

All performance criteria will be measured based on the data for the twenty-four (24) month contract period unless otherwise specified in the Department's document titled Performance Standards for the 2002-2003 W-2 and Related Programs Contract, which is incorporated by reference into the Contract.

6.27.7.2 Exception

The data for the first three (3) months of the Contract Period may be excluded in the performance criteria measurement for a W-2 agency that has the Contract for a W-2 geographic area for the Contract Period January 2002 through December 2003, but did not have the contract for the same W-2 geographic area for the contract period January 2000 through December 2001, if a written request to be excluded is submitted to the Department's Contract Manager by the W-2 agency by December 27, 2002.

6.27.8 Timeframe

The Performance Bonus calculations by the Department will occur within three (3) months after July 31, 2004, which is the Department's financial close-out of the Contract or within three (3) months after the enactment of the 2003-2005 Biennial Budget Act, whichever is later. The Unrestricted Use Performance Bonus will be distributed within sixty (60) calendar days of the calculation in this section. The Restricted Use Performance Bonus will be distributed in a contract to the W-2 agency, whether or not the W-2 agency continues to operate W-2 and Related Programs beyond December 31, 2003.

6.28 Civil Rights Compliance Plan (Federal)

6.28.1 Submittal

The W-2 agency shall submit its Civil Rights Compliance Plan (“CRC”) in accordance with the Department’s Policies and Procedures for CRC standards, to the Department’s Contract Manager within thirty (30) calendar days of the W-2 agency signing the Contract. If a similar CRC Plan was approved by the Department within the previous two (2) years of the contract signing date, a copy of the approved CRC Plan approval will fulfill this requirement, if submitted to the Department’s Contract Manager.

6.28.2 Tribal W-2 Agencies

Tribal W-2 agencies must submit CRC assurances to the Department’s Contract Manager within thirty (30) calendar days of signing the Contract or submit an approval letter from the Department that was received in the previous two (2) years.

6.28.3 Combined Plan

The W-2 agency may combine its Civil Rights Compliance Plan under this section with its Affirmative Action Plan under section 6.30 of the Contract.

6.29 Language Access Plan

The W-2 agency shall submit a Language Access Plan (“LAP”) for Limited English Proficiency participants required in the Department’s Policy and Procedures to the Department’s Contract Manager within thirty (30) calendar days of signing the Contract.

6.30 Nondiscrimination/Affirmative Action (State)

6.30.1 W-2 Agency Agreement

In connection with the performance of work under the Contract, the W-2 agency agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, creed, sex, national origin or ancestry, disability, developmental disability as defined in section 51.01(5) Wisconsin Statutes, physical condition, arrest or conviction record, marital status, political affiliation, military participation, use of lawful products as defined in section 51.01(5) Wisconsin Statutes, or sexual orientation as defined in section 111.32(13m) Wisconsin Statutes. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the W-2 agency further agrees to take affirmative action to ensure equal employment opportunities.

6.30.2 Written Plan

Contracts estimated to be over Twenty-Five Thousand Dollars (\$25,000) require the submission of a written Affirmative Action Plan by the W-2 agency. An exemption occurs from this requirement if the W-2 agency has a workforce of less than twenty-five (25) employees. Within fifteen (15) business days after the contract is awarded, the W-2 agency must submit the plan to the Department for approval. Instructions on preparing the plan and technical assistance regarding this section are available from the Department.

6.30.3 Posting of Notice

The W-2 agency agrees to post in conspicuous places, available for employees and applicants for employment, a notice to be provided by the Department that sets forth the provisions of the State of Wisconsin’s nondiscrimination law.

6.30.4 Failure to comply

Failure to comply with the conditions of this Non-discrimination/Affirmation Action (State) section may result in the W-2 agency becoming declared an “ineligible” W-2 agency, termination of the Contract, or withholding of payment.

6.30.5 W-2 Participants

A W-2 agency with more than fifty (50) authorized permanent full-time equivalent positions must include in its Affirmative Action Plan a plan to employ individuals participating in the W-2 program. A W-2 agency with fifty (50) or fewer authorized permanent full-time equivalent positions is encouraged to employ individuals participating in the W-2 program.

6.30.6 Combined Plan

The W-2 agency may combine its Affirmative Action Plan under this section with its Civil Rights Compliance Plan under section 6.28 of the Contract.

6.30.7 American Indian Tribes

This Nondiscrimination/Affirmative Action section does not apply to employment actions of American Indian tribes.

6.31 Pro-Children Act of 1994

Since a portion of the funds under the Contract includes federal funds, the W-2 agency agrees to comply with Public Law 103-227 (20 U.S. sections 6081-6084), also known as the Pro-Children Act of 1994. The law requires that smoking not be permitted within any indoor facility (or portion thereof) owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of eighteen (18). The law does not apply to children’s services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infant and Children (“WIC”) coupons are redeemed.

6.32 Open Records Law and Confidentiality

Except as required by laws providing for the confidentiality of personal information, the Wisconsin Open Records Law, sections 19.31 through 19.39 of the Wisconsin Statutes, applies to the Contract.

6.33 Reference to the State of Wisconsin

Reference to or use of the State of Wisconsin, any of its departments, agencies or other subunits, or any State official or employee for commercial promotion is prohibited.

6.34 Proprietary Information

6.34.1 Requirements

Any material submitted by the W-2 agency to the Department that the W-2 agency considers confidential and proprietary information and which qualifies as a trade secret, as provided in section 19.36(5) of the Wisconsin Statutes, or material which can be kept confidential under the Wisconsin public records law, must be identified on the Designation of Confidential and Proprietary Information Form, Attachment D to the Response Items. The Department will decide on the status of material submitted under the Wisconsin public records law and will notify the W-2 agency of its decision. In the event of a request to inspect information which the W-2 agency has designated and the Department has accepted as not subject to disclosure, the Department will notify the W-2 agency of the request and the W-2 agency will be responsible for defending the confidentiality of its information .

6.34.2 State Property

Data and innovations developed as a result of the contracted services cannot be copyrighted or patented. All data, documentation, and innovation become the property of the State of Wisconsin.

6.35 Duty to Disclose Potential Claims

6.35.1 Statement

The W-2 agency shall disclose any potential claim or liability that it is aware of which could have a material effect on its ability to deliver services under the Contract or shall state that there are no such potential claims or liabilities.

6.35.2 Continuing Duty to Disclose

During the Contract Period, the W-2 agency has a continuing duty to disclose any potential claim or liability which could have a material effect on its ability to deliver services under the Contract at any time that it learns of the existence of such a potential claim or liability.

6.36 Indemnification

The W-2 agency agrees to indemnify and hold harmless the State and all of its officers, agents and employees from all suits, actions or claims of any character brought for or on account of any injuries or damages received by any persons or property resulting from the negligence, misconduct, or breach of confidentiality by the W-2 agency, or any of its agents, employees or subcontractors, in performing the terms and conditions of the Contract. The W-2 agency agrees to indemnify and hold harmless the State and all of its officers, agents and employees from all suits, actions or claims of any character brought for or on account of any obligations arising out of agreements or contracts between the W-2 agency and any of its subcontractors or vendors to perform services or otherwise supply products or services. The Department acknowledges that the State may be required by section 895.46(1) of the Wisconsin Statutes, to pay the costs of judgments against its officers, agents or employees, and that an officer, agent or employee of the State may incur liability due to negligence or misconduct. In the event of a lawsuit challenging the validity of an aspect or provision of W-2, the Department will defend such lawsuit.

6.37 Insurance Responsibility

The W-2 agency and any subcontractors performing services for the State of Wisconsin shall:

- a) Maintain worker's compensation insurance as required by Wisconsin Statutes, for all employees engaged in work;
- b) Maintain worker's compensation insurance, as required by Wisconsin Statutes, for participants in Community Service Job ("CSJ") and Wisconsin Works Transition ("W-2T") positions, and for those repaying Job Access Loans through volunteer work or gaining work experience through volunteer work; and
- c) Maintain commercial liability, bodily injury and property damage insurance against any claim(s) which might occur in carrying out the Contract. Minimum coverage shall be One Million Dollars (\$1,000,000) liability for bodily injury and property damage including products liability and completed operations. Provide motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out the Contract. Minimum coverage shall be One Million Dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.

6.38 W-2 Agency Tax Delinquency

A W-2 agency that has a delinquent Wisconsin tax liability may have its payments offset by the State of Wisconsin.

6.39 Copyright and Publication Rights

6.39.1 Legal Rights

In connection with the performance of work under the Contract, the W-2 agency agrees that the Department owns all legal rights (including, but not limited to copyrights) to all images, designs, text, video, electronic files (composite and supporting files) and all other materials or products developed or created as a result of the Contract.

6.39.2 Data Gathering Instrument

Any data gathering instrument developed by the W-2 agency must be furnished to the Department's Contract Manager at or before the time it is put in use. Data gathering instruments include, but are not limited to, follow-up reporting forms, computer-assisted interactive interviews, and survey schedules. The purpose of this requirement is not a review and approval process. Instead, the Department's intent is to share best practices and improve data-gathering techniques across the W-2 program.

6.40 Disclosure of Independence and Relationship

6.40.1 No Relationship

When signing the Contract, the W-2 agency certifies that no relationship exists between the W-2 agency and the Department that interferes with fair competition or is a conflict of interest, and no relationship exists between the W-2 agency and another person or organization that constitutes a conflict of interest with respect to a State contract. If there is a conflict of interest, the W-2 agency must notify the Department's Contract Manager. The Department will refer this notice from the W-2 agency to the Department of Administration. The Department of Administration may waive this provision in writing, if the activities of the W-2 agency will not be adverse to the interests of the State.

6.40.2 Department Regulation, Funding or Adverse Interests

The W-2 agency agrees as part of the Contract that during performance of the Contract, the W-2 agency will neither provide contractual services nor enter into any agreement to provide services to a person or organization that is regulated or funded by the Department or has interests that are adverse to the Department. If there is a conflict of interest, the W-2 agency must notify the Department's Contract Manager. The Department will refer this notice from the W-2 agency to the Department of Administration. The Department of Administration may waive this provision in writing, if the activities of the W-2 agency will not be adverse to the interests of the State.

6.41 Dual Employment

Section 16.417 of the Wisconsin Statutes prohibits an individual who is a State of Wisconsin employee or who is retained as a consultant full-time by a State of Wisconsin agency from being retained as a consultant by the same or another State of Wisconsin agency where the individual receives more than Twelve Thousand Dollars (\$12,000) as compensation for the individual's services during the same year. This prohibition does not apply to individuals who have full-time appointments for less than twelve (12) months during any period of time that is not included in the appointment. It does not include corporations or partnerships.

6.42 Conflict of Interest

Private and non-private corporations are bound by sections 180.0831, 180.1911(1), 181.225 and 181.225 of the Wisconsin Statutes regarding conflicts of interests in the conduct of State contracts.

6.43 Independent Capacity

The Parties hereto agree that the W-2 agency, its officers, agents, and employees, in the performance of the Contract shall act in the capacity of an independent contractor and not as an officer, employee, or agent of the State. The W-2 agency agrees to take such steps as may be

necessary to ensure that each subcontractor of the W-2 agency will be deemed to be an independent contractor and will not be considered or permitted to be an agent, servant, joint venture, or partner of the State.

6.44. Workforce Investment Act

6.44.1 Coordination

The W-2 agency is responsible for coordination with the appropriate local Workforce Development Board as the local board performs its planning and oversight functions under the Workforce Investment Act of 1998, Public Law 105-220.

6.44.2 Compliance

An organization with a contract or subcontract under the Workforce Investment Act is responsible for compliance with all regulations and requirements under that Act. The Contract does not cover responsibilities under the Workforce Investment Act.

6.45 Contract Administration

The Department retains the right to contract, separate from any W-2 agency contract, with an individual or organization for the management oversight and coordination of the W-2 agencies in a county with a total population of over 500,000.

6.46 American Indian Tribe – Lobbying

The Lobbying Certification requirement (see section 6.13.4 of the Contract) does not apply to an American Indian tribe with respect to expenditures permitted by other federal laws.

6.47 Applicable Law

The Contract shall be governed under the laws of the State of Wisconsin. The W-2 agency shall at all times comply with and observe all federal and State laws, local laws, ordinances, and regulations which are in effect during the period of the Contract and which in any manner affect the work or its conduct. The State of Wisconsin reserves the right to cancel any contract with a federally debarred vendor or a vendor which is presently identified on the list of parties excluded from federal procurement and non-procurement contracts.

6.48 Severability

If any provision of the Contract is found to be illegal, unenforceable, or void, then the remainder of the Contract shall remain in effect.

6.49 Assignment

No right or duty in whole or in part of the W-2 agency under the Contract may be assigned or delegated without the prior written consent of the Department.

6.50 Time is of the Essence

Time is of the essence with respect to all specific time periods set forth in the Contract.

6.51 Waiver

No right under the Contract shall be deemed waived unless either Party sends to the other Party written notice of waiver of that Party's right and the notice is acknowledged in writing. No provision of the Contract shall be deemed waived by reason of either Party failing to enforce the provision on one or more occasions.

6.52 Employment

The W-2 agency will not engage the services of any person or persons now employed by the State of Wisconsin, including any Department commission or board thereof, to provide services relating to the Contract without the written consent of the employing agency. This provision does not preclude subcontracting with DWS or its Job Service subunits.

6.53 Disclosure

6.53.1 Appropriate Disclosure Requirements

If a State public official (section 19.42 of the Wisconsin Statutes), a member of a State public official's immediate family, or any organization in which a State public official or a member of the official's immediate family owns or controls a ten percent (10%) interest, is a party to the Contract, and if the Contract involves payment of more than Three Thousand Dollars (\$3,000) within a twelve (12) months period, the Contract is voidable by the State unless appropriate disclosure is made according to section 19.45(6) of the Wisconsin Statutes, before signing the Contract. Disclosure must be made to the State of Wisconsin Ethics Board, 44 East Mifflin Street, Suite 601, Madison, Wisconsin 53703 (telephone 608-266-8123).

6.53.2 Separate Disclosure Requirements

State classified and former employees and certain University of Wisconsin faculty/staff are subject to separate disclosure requirements, section 16.417 of the Wisconsin Statutes.

6.54 Definitions And Acronyms

The following definitions are used in the Contract unless defined otherwise in context:

Allowable Costs: costs identified as allowable in the Department's "Wisconsin Works (W-2) Financial Management Manual."

ABAWD: the acronym used to identify Able-Bodied Adult Without Dependents.

Administration Costs: expenses for administration of W-2 and related programs, including AMSO and other expenses defined as administration by federal regulations governing the W-2 and related programs. Administration Costs may not exceed fifteen percent (15%) of the total reported expenses as identified in CARS, unless the W-2 agency's Base Allocation is no greater than \$500,000 and the Department substituted twenty percent (20%) for the fifteen percent (15%) limit.

Agency Management Support and Overhead: expenses for agency management support and overhead as identified in the Department's Policies and Procedures which must be included in Administrative Costs.

AMSO: the acronym used to identify Agency Management Support and Overhead.

ANSE: the acronym used to identify a CARES screen titled School Enrollment.

AODA: the acronym used to identify Alcohol and Other Drug Abuse.

Applicant: an individual who applies for any service of the W-2 and related programs including support services.

BadgerCare: BadgerCare is a major health care initiative designed to fill gaps between Medicaid and private insurance without supplanting private insurance. It will extend health care coverage to low-income families with children (income below 185% of the federal poverty level ("FPL") with ongoing eligibility through 200% FPL) through a Medicaid expansion under Titles XIX and XXI of the Social Security Act.

Base Allocation: the amount that equals the sum of Services/Administration and Benefits allocations with an adjustment, if applicable, for a Small Agency Supplement, treated as a single inseparable allocation for the purposes of reimbursement.

BCS: a subunit of the Division of Workforce Solutions.

BDS: the acronym used to identify the Bureau of Division-wide Services.

Bureau of Apprenticeship Standards: a subunit of the Division of Workforce Solutions.

Bureau of Division-wide Services: a subunit of the Division of Workforce Solutions.

Bureau of Job Service: a subunit of the Division of Workforce Solutions.

Bureau of Migrant Services: a subunit of the Division of Workforce Solutions.

Bureau of Workforce Connection and Advancement: a subunit of the Division of Workforce Solutions.

Bureau of Workforce Information: a subunit of the Division of Workforce Solutions.

Business day: Monday through Friday except State holidays as defined in the Wisconsin Statutes.

BWCA: the acronym used to identify the Bureau of Workforce Connection and Advancement.

BWI: the acronym used to identify the Bureau of Workforce Information.

CARES: the acronym used to identify the Client Assistance for Re-employment and Economic Support System.

CARS: the acronym used to identify the Community Aids Reporting System.

CFR: the acronym used to identify the Code of Federal Regulations.

Children First: an employment and training program for noncustodial parents.

Client Assistance for Re-employment and Economic Support System: Wisconsin's automated eligibility determination, benefit calculation and management system for the W-2, Child Care, food stamp, and Medicaid programs.

CMC: the acronym used to identify Case Management Caretaker of an Infant.

CMF: the acronym used to identify Case Management Follow-Through.

CMM: the acronym used to identify a CARES screen titled Case Management Minor Parent.

CMP: the acronym used to identify a CARES screen titled Case Management Pregnancy.

CMS: the acronym used to identify a CARES screen titled Case Management Services for Job Ready Individual.

CMU: the acronym used to identify a CARES screen titled Case Management Services for Working Individual.

Community Aids Reporting System: an expense reporting system used to make payments to W-2 agencies under contract with the Department.

Community Reinvestment: the programs described in a plan approved by the Department and funded with TANF restricted funding provided under a W-2 Contract .

Community Service Job: one of the work experience and training components in the W-2 program.

Community Steering Committee: a group of individuals appointed in accordance with and for the purposes identified in section 49.143(2) of the Wisconsin Statutes.

Compliance Contact: any communication between the Department and the W-2 agency concerning compliance with any requirement of the Contract or of any policy incorporated by reference in the Contract. A Compliance Contact may include, but is not limited to, oral communication in person or over the telephone, or written communication in the form of e-mail, handwritten notes or printed documents. A Compliance Contact may be initiated by either the Department or the W-2 agency. A Compliance Contact may involve a very simple issue or a very lengthy and complex issue.

Contract: the Wisconsin Works (W-2) and Related Programs Contract for the period January 1, 2002 through December 31, 2003, between the Wisconsin Department of Workforce Development and the W-2 agency, (referred to in this document as the Contract).

Contract Period: the time period of January 1, 2002 through December 31, 2003.

Corrective Action: action the Department deems necessary to remedy noncompliance with the W-2 and Related Programs Contract.

CSA: the acronym used to identify the Child Support Agency.

CRC: the acronym used to identify Civil Rights Compliance.

CSC: the acronym used to identify the Community Steering Committee.

CSJ: the acronym used to identify the Community Service Job.

CSN: the acronym used to identify the Children's Services Network.

Custodial parent: means with respect to a dependent child, a parent who resides with the dependent child and, if there has been a determination of legal custody with respect to the dependent child, has legal custody.

Custodial parent of an Infant Payment: W-2 payment allowed up to twelve (12) weeks to provide time to bond with a newborn child.

Days: calendar days unless otherwise specified.

Department: the Wisconsin Department of Workforce Development.

Department's Contract Manager: the DWS staff who manage the W-2 Contracts on a daily basis.

Department of Administration: the Department which administers State comptroller functions.

Department's Policies and Procedures: the document titled the Listing of the Department's Policies and Procedures.

Dependent Child: a person who resides with a parent and who is under the age of eighteen (18) or, a person under the age of nineteen (19) if the person is a full-time student at a secondary school or a vocational or technical equivalent and is reasonably expected to complete the program before attaining the age of nineteen (19).

Division of Unemployment Insurance: a subunit of the Department of Workforce Development.

Division of Vocational Rehabilitation: a subunit of the Department of Workforce Development.

Division of Workforce Solutions: a subunit of the Department of Workforce Development.

DOA: the acronym used to identify the Wisconsin State Department of Administration.

DUI: the acronym used to identify the Division of Unemployment Insurance.

DVR: the acronym used to identify the Division of Vocational Rehabilitation.

DWD: the acronym used to identify the Wisconsin State Department of Workforce Development.

DWS: the acronym used to identify the Division of Workforce Solutions.

Earned Income Credit: a refundable federal or State tax benefit designed to help low income workers increase their financial stability and maintain their independence from the welfare system. (May also be referred to as Earned Income Tax Credit ("EITC")).

EBT: the acronym used to identify the Electronic Benefit Transfer.

EDS-F: the acronym used to identify the Electronic Data Systems-Federal.

EIC: the acronym used to identify the Earned Income Credit.

Electronic Benefit Transfer: the conversion of food stamp issuance from paper coupons to an electronic system.

Electronic Data Systems-Federal: the firm currently under contract as the State's fiscal agent (the payor of claims) for Wisconsin's Medicaid Program.

Employment Skills Advancement Program: a grant program to assist low income workers to pursue education and training activities.

Enterprise Output Solutions: the automated report system for programs reported through CARES.

EOS: the acronym used to identify Enterprise Output Solutions.

Equipment: Information Technology ("IT") hardware, software and peripherals and non-IT related items with a purchase price of \$5,000 or greater per item.

ES: the acronym used to identify Economic Support.

ESAP: the acronym used to identify the Employment Skills Advancement Program.

FEP: the acronym used to identify the Financial and Employment Planner.

Failure Penalty: penalty determined by the Department for a W-2 agency's failure to implement a program or operation requirement(s) for the W-2 and Related Programs.

Faith-based Provider: an organization that is religious in nature, charitable in nature, or that follows a mission that promotes moral and character values that are consistent with the philosophy of Wisconsin Works.

Food Stamp Employment and Training: the employment and training program for food stamp participants.

Financial and Employment Planner: a required position in the W-2 agency.

FPL: the acronym used to identify the Federal Poverty Level.

FS: the acronym used to identify the Food Stamp Program.

FASL: the acronym used to identify the Functional Agency Security Liaison.

FSET: the acronym used to identify the Food Stamp Employment and Training program.

GED/HSED: the acronym used to identify General Equivalency Diploma/High School Equivalency Diploma.

Geographic Area: the area determined by the Department for which a Wisconsin Works agency will administer Wisconsin Works. Note: Except for federally recognized American Indian reservations and in counties with a population of 500,000 or more, no geographical area may be smaller than one county. A geographical area may include more than one county.

HMO: the acronym used to identify Health Maintenance Organization.

IM: the acronym used to identify Income Maintenance.

IM Agency: the county agency required to perform IM services.

IM Case: a case receiving food stamps or Medicaid or both.

IMM: the acronym used to identify Income Maintenance Manual.

IPV: the acronym used to identify the Intentional Program Violation.

IT: the acronym used to identify information technology.

Job Center: a service site that meets Job Center standards and provides an array of employment and training services to both job seekers and employers.

JobNet: a self-service computer-aided system that job seekers utilize to quickly find available job openings and employers utilize to post job openings administered by DWS.

Job Service: the operating unit within DWS that administers labor exchange services under the Wagner-Peyser Act.

JTPA: the acronym used to identify the Job Training and Partnership Act.

KIDS: the acronym used to identify the Kids Information Data System.

Kids Information Data System: an automated system used by the Department and county/tribal child support agencies.

Language Access Plan: the W-2 agency's plan for services for Limited English Proficiency participants.

LAP: the acronym used to identify Language Access Plan.

Learnfare: a program to improve school attendance for children whose parents are in a W-2 employment position.

LCPT: the acronym used to identify the Local Collaborative Planning Team.

LIHEAP: the acronym used to identify the Low Income Home Energy Assistance Program.

Local Collaborative Planning Team: a team of service providers in each Workforce Development Area charged with implementation of Job Center standards and coordination of program centers across Job Centers.

MBE: the acronym used to identify Minority Business Enterprise.

Medicaid: a health care coverage program for eligible Wisconsin residents.

Minority Business Enterprise: a business certified by the Wisconsin Department of Commerce.

NCP: the acronym used to identify non-custodial parent.

Non-custodial parent: a parent who is not the custodial parent of a child in a W-2 group.

Non-IT: the acronym used to identify non-informational technology.

OJT: the acronym used to identify on-the-job training.

Other Service Sites: a location where at least one of the core PFE partners delivers program services that offer some Job Center services and access to other Job Center services and PFE partner program services.

Parent: the biological parent, a person who has consented to the artificial insemination of his wife under section 891.40 of the Wisconsin Statutes, or a parent by adoption.

Participant: an individual who participates in any component of W-2 and Related Programs.

Partnership for Full Employment: Wisconsin's comprehensive workforce development system, embracing a very broad public and private partnership; based upon the delivery of public workforce development services through Job Centers; emphasizing a self, light, and individualized stratification of services to job seeker and employer customers.

Performance Bonus: an amount awarded to the W-2 agency for meeting the Restricted Use Performance Bonus (Community Reinvestment) Benchmark(s) and/or the Unrestricted Use Performance Bonus Benchmark(s).

Personal Identification Number: an individual's number for access to benefits through EBT.

PFE: the acronym used to identify the Partnership for Full Employment.

PIC: the acronym used to identify a Private Industry Council.

PIN: the acronym used to identify Personal Identification Number.

Plan: the W-2 agency's Plan to Administer W-2 and Related Programs, incorporated by reference into the Contract.

Program Integrity: the term used to define the Fraud Program functions performed by W-2 agencies to administer the Fraud Program, but excluding Fraud Investigation Services performed by the State selected provider.

Proposal: the proposal submitted by the proposer agency in response to the Department's Request for Proposals (RFP).

Proposer Agency: an entity submitting a proposal in response to the Department's Request for Proposals (RFP).

Refugee Cash Assistance and Refugee Medicaid: a cash and Medicaid program for newly arrived low income refugees who do not meet W-2 and Medicaid eligibility criteria.

Request for Proposals: the Department's "Request for Proposals ("RFP") to Administer Wisconsin Works (W-2) and Related Programs, issued by the Department, and the Addenda to the Request for Proposals issued by the Department.

RFP: the acronym used to identify Request for Proposals.

RFS: the acronym used to identify Right of First Selection.

Right of First Selection: the term used to describe the first phase of the process to select W-2 agencies for the next W-2 and Related Programs Contract Period.

RS: the acronym used to identify Resource Specialist.

SSI: the acronym used to identify Supplemental Security Income.

SSP: the acronym used to identify Supportive Services Planner.

State: the State of Wisconsin.

State's W-2 Administrator: the DWS Administrator.

Supplemental Security Income: a program which is administered by the Social Security Administration.

TANF: the acronym used to identify the federal Temporary Assistance for Needy Families program.

Trial Job: one of the work experience and training components in the W-2 program.

Tribe: a federally-recognized American Indian Tribe or Band located in the State.

W-2: the acronym used to identify Wisconsin Works.

W-2 Administrator: the DWS Administrator.

W-2 Agency: the proposer agency awarded the Contract or the RFS W-2 agency under the Contract required to perform all W-2 and Related Programs services and to implement the entire W-2 program in a given geographic area or areas, wholly accountable and responsible for results.

W-2 and Related Programs: the comprehensive array of programs and services including W-2 employment positions, W-2 case management, Food Stamp Employment and Training, Child Care, Workforce Attachment and Advancement, Refugee Cash Assistance and Refugee Medicaid, Job Access Loans, Employment Skills Advancement Program, Learnfare and Children First (optional).

W-2 Case: a case requesting W-2 and Related Programs (as defined in the Contract), unless otherwise defined in the Contract. A case receiving food stamps or Medicaid or both but none of the programs or services defined as W-2 and Related Programs is not a W-2 case.

W-2 Contract and Implementation Committee: a body of twelve (12) to fifteen (15) W-2 agency representatives selected under the Department's Policies and Procedures to provide input and advice to the Department on matters relating to the Contract.

W-2 Employment Positions: Trial Jobs, Community Service Jobs, W-2 Transitions.

W-2 Geographic Area: the area determined by the Department for which a Wisconsin Works agency will administer Wisconsin Works. Except for federally recognized American Indian reservations and in counties with a population of 500,000 or more, no geographical area may be smaller than one county. A geographical area may include more than one county. The Department need not establish the geographical areas by rule.

W-2 Group: a cohabiting group that includes custodial parent (s), their dependent children and any children of the dependent children in the group. The W-2 group also includes any non-marital co-parent or any spouse of the individual who resides in the same household as the individual and any dependent children with respect to whom the spouse or non-marital co-parent is a custodial parent. The W-2 group does not include any person who is receiving cash or other non-medical benefits under the county relief block grant program.

W-2 T: the acronym used to identify the W-2 transition job.

W-2 Transition: one of the work experience and training components in the W-2 program.

WAA: the acronym used to identify the Workforce Attachment and Advancement Program.

WDA: the acronym used to identify Workforce Development Area.

WDB: the acronym used to identify Workforce Development Board.

Welfare to Work: an employment and job retention program administered by WDA Boards serving TANF recipients and non-custodial parents.

WIA: the acronym used to identify the Workforce Investment Act.

WIB: the acronym used to identify Workforce Investment Board.

WIC: the acronym used to identify the Women, Infant and Children Program.

Wisconsin Works: Wisconsin's welfare replacement program which eliminates entitlement and places the focus on work.

Women, Infant and Children Program: a program to provide food items for pregnant women and children under five (5) years of age.

Workforce Attachment and Advancement Program: a TANF program to assist low-income families and non-custodial parents with job retention and advancement.

Workforce Development Area: one of eleven areas approved by the Department of Administration for the management of employment and training services.

Workforce Development Boards: the agency responsible for managing the Job Training and Partnership Act or successor Workforce Investment Act Title I program. The agency may be the Private Industry Council, Workforce Development Board or Workforce Investment Board.

Workforce Investment Act: 1998 federal legislation that establishes the role of the job center systems in the delivery of employment and training programs, including the TANF and FSET programs.

Work Programs Employment Follow-Through: a subsystem of the Work Programs subsystem of CARES.

Work Programs Employment History: a subsystem of the Work Programs subsystem of CARES.

WPEH: the acronym used to identify the CARES screen titled Work Programs Employment History.

WPFT: the acronym used to identify the CARES screen titled Work Programs Employment Follow-Through.

WtW: the acronym used to identify Welfare to Work.

6.55 Disputes

6.55.1 Exclusive Method

The W-2 agency's sole and exclusive method of resolving any dispute or controversy arising out of or relating to the Contract shall be the complaint process provided in this section.

6.55.2 Chief Legal Counsel

The W-2 agency may address a written complaint to the Chief Legal Counsel of the Department at the following address: Department of Workforce Development Chief Legal Counsel, P.O. Box 7946, Madison, Wisconsin 53707-7946.

6.55.3 Committee

At the same time the complaint is filed with the Department's Chief Legal Counsel, the complaint also may be filed with the W-2 Contract and Implementation Committee (with notice to the Chief Legal Counsel) for the Committee's consideration. The Committee may consider the complaint no later than at its next regularly scheduled monthly meeting.

6.55.4 Division of Hearings and Appeals

If either the W-2 agency or the Department's Contract Manager is not satisfied with the response, either the W-2 agency or the Department's Contract Manager may request a review of the response by the Wisconsin Division of Hearings and Appeals. The decision of the Division of Hearings and Appeals shall be sent to the Department's Secretary.

6.55.5 Department Secretary

The Secretary or designee shall respond to the complainant in writing after receipt of the Division of Hearings and Appeals decision. If the W-2 agency is not satisfied with the response of the Secretary, the W-2 agency's exclusive remedy is to terminate under the Without Cause section of the Contract.

6.56 Attachments

6.56.1 Forms Incorporated into the Contract

The following forms, as completed by the W-2 agency and approved by the Department, are incorporated by reference into the Contract:

Attachment A: Identification Form – required (supplied by the W-2 agency with the Right of First Selection W-2 Plan or supplied by the agency with the RFP W-2 Proposal);

Attachment B: References Form – required for RFP W-2 Proposal (supplied by the agency with the RFP W-2 Proposal);

Attachment C: Affidavit Form – required (supplied by the W-2 agency with the Right of First Selection W-2 Plan or supplied by the agency with the RFP W-2 proposal);

Attachment D: Designation of Confidential and Proprietary Information Form – optional (supplied by the agency with the RFP W-2 Proposal);

Attachment E: Certification Regarding Debarment Form – required (supplied by the W-2 agency with the Right of First Selection W-2 Plan or supplied by the agency with the RFP W-2 Proposal);

Attachment F: Lobbying Forms – required (supplied by the W-2 agency with the Right of First Selection W-2 Plan or supplied by the agency with the RFP W-2 Proposal);

Attachment G: Participant Time Limits Form – optional for the RFP W-2 Proposal (supplied by the agency during the RFP process); and

Attachment H: Cost Proposal Form – required for the RFP W-2 Proposal (supplied by the agency with the RFP W-2 Proposal).

6.56.2 Notification of Material Changes

The W-2 agency is under a continuing obligation to notify the Department of any material change which occurs in any information contained in these documents or other documents referred to in the Contract. This includes a change of any kind in the organizational or ownership status of the W-2 agency any substantial change in the W-2 agency's financial condition.

6.56.3 Documents Incorporated into the Contract

The following documents are incorporated by reference into the Contract:

Performance Standards for the 2002-2003 W-2 and Related Programs Contract;
Listing of the Department's Policies and Procedures;
Allocations Information for the 2002-2003 W-2 and Related Programs Contract (including the W-2 Base Allocation chart and the JAL & WAA Allocations chart); and
The W-2 agency's Plan or approved Proposal, and any approved modifications.

IN WITNESS WHEREOF, the Department and the W-2 agency have executed the Contract on the dates set forth below.

Eric Baker, Administrator
Division of Workforce Solutions
Department of Workforce Development

Signature

Name printed
W-2 Agency Authorized Representative
W-2 Agency's Tax ID Number:

Date

Date